

**MINUTES OF THE
RURAL HEALTH ADVISORY COMMISSION**

Friday, November 18, 2005

Nebraska State Office Building
Conference Room 6-Y
Lincoln, Nebraska

Members Present: Angela Brennan, M.D.; Bill Brush; Steve Dokken, D.D.S.; Marty Fattig; Don Frey, M.D.; Jacquelyn Miller, D.D.S. (designee for Nancy Montanez, HHS Services Director); Rebecca Schroeder, Ph.D.; Roger Wells, PA-C

Members Absent: Pam List, A.R.N.P.; Michele Mulligan-Witt, M.D.; Joann Schaefer, M.D.; Mike Sitorius, M.D.; Bill Welch

Guests Present: David Brown, D.D.S., UNMC/College of Dentistry; Jane Broekemeier, Nebraska Association of Dental Hygienists; Robyn Henderson, RHEN/UNMC

Office of Rural Health Staff Present: Dennis Berens, Marlene Janssen, Tom Rauner, Deb Stoltenberg

1. Call Meeting to Order; Adopt Agenda; Approve Minutes of September 7, 2005, Meeting; Introduce Members and Guests

Chairman, Dr. Don Frey, called the meeting to order at 1:40 p.m. Roger Wells moved to adopt the agenda and Dr. Angela Brennan seconded the motion. The motion carried unanimously. Marty Fattig moved to approve the minutes from the September 7, 2005, meeting. Dr. Rebecca Schroeder seconded the motion. The motion carried unanimously. Commission members, guests and staff introduced themselves.

2. Vote on Commission Chair and Vice-Chair & Schedule Meeting Dates for 2006

Dr. Brennan moved to accept the nominations of Dr. Don Frey as the Commission Chair and Roger Wells, P.A. as the Commission Vice-Chair. Dr. Steve Dokken seconded the motion. The motion was unanimously approved. A vote was taken. Dr. Frey was unanimously elected at Chair and Roger Wells was unanimously elected as Vice-Chair.

Commission members approved the following meeting dates for 2006:

Friday, February 24, 2006, 1:30 p.m., Lincoln, NE
Friday, June 16, 2006, 1:30 p.m., Lincoln, NE
Wednesday, September 6, 2006, 6:30 p.m., Kearney, NE
Friday, November 17, 2006, 1:30 p.m., Lincoln, NE

3. Shortage Area Request(s)

UNMC College of Dentistry Proposal

Dr. David Brown, from the University of Nebraska Medical Center (UNMC) College of Dentistry (COD), addressed the Commission on the activities of the College of Dentistry. The College of Dentistry (COD) will be contracting with Panhandle Community Health Services (PCS) to operate their dental clinic. Under this arrangement, the College of Dentistry will provide dentists and direct the activities of the dental clinic. The main purpose of this project is to increase the dental services provided at PCS and to provide opportunities for dental students to practice in a rural setting. The dentists hired by COD will be faculty positions providing patient care and supervision of the dental students at the clinic.

Dr. Brown stated that the COD would like to use the Nebraska Loan Repayment Program as an incentive to attract dentists to PCS. He asked the Commission to consider whether or not a “faculty” dentist providing and supervising clinical dental care could be eligible for loan repayment.

Marlene Janssen stated that a few years ago the Commission had to deal with the issue of a “faculty” psychologist in Omaha wanting loan repayment for the time spent in a mental health shortage area supervising students. This situation was different than what Dr. Brown is proposing in that the psychologist was not physically practicing in the shortage area at least 20 hours per week and wanted to count the supervisory time overseeing students as “providing mental health care.” Dr. Brown’s proposal involves dentists physically living in the area and providing clinical care while overseeing the students clinical care. Ms. Janssen also stated that the Commission has already designated the Panhandle Community Health Center as a state-designated shortage area because they are a Federally Qualified Health Center but Scotts Bluff County is not.

Dr. Frey asked if he understands correctly that the faculty dentists would be doing clinical practice, living in the area, and supervising the clinical practice of students. Dr. Brown responded that these dentists would be full-time in clinical practice. “Classroom” instruction is not part of their job duties.

Tom Rauner mentioned that he is checking into whether or not these faculty dentists would be eligible for the National Health Service Corps Loan Repayment Program. Generally, faculty are not eligible but in this situation they might be because of the clinical practice.

Dennis Berens stated that if this works for the CHCs and FQHCs then it may work for rural health clinics. Mr. Berens praised the College of Dentistry for their work in establishing rural training sites.

Dr. Frey added that the Commission needs to keep certain issues in mind: (1) Does the site qualify as a shortage area? Yes, PCH is a shortage area. (2) From a patient care standpoint are the requirements of the loan repayment program being met? From what Dr. Brown is proposing, Dr. Frey believes patient care is being met. Dr. Frey stated that what occurs, as a side effect of Dr. Brown’s proposal, is “education.” As a Commission we have to keep our focus on patient care because that is the purpose of the loan repayment program.

Dr. Steve Dokken moved to allow faculty dentists at the Panhandle Community Health Services, a state-designated shortage area, to be eligible for the Nebraska Loan Repayment Program because the focus is on providing patient care and overseeing the patient care of senior dental students. Dr. Brennan seconded the motion. The motion carried unanimously.

Colfax County Dental Shortage Area Request

Ms. Janssen reported that a written request to designate Colfax County as a dental shortage area was received from the dentists in Colfax County. Based on the information provided in the letter, Colfax County meets the general dentistry shortage area guidelines.

Dr. Brennan moved to designate Colfax County as a state-designated general dentistry shortage area. Dr. Dokken seconded the motion. The motion carried unanimously.

4. State Incentive Programs Update

Perkins County Update

Marlene Janssen reported that as per the Commission's motion from the September 2005 meeting a letter was sent to the hospital administrator in Perkins County. This letter stated that Dr. Paul Bottom could practice in Perkins County up to four (4) hours per week without jeopardizing Perkins County's family practice shortage area designation. Ms. Janssen stated that she has not heard from anyone in Perkins County since sending this letter.

Annual Report to the Legislature and Governor

Marlene Janssen stated that the 2005 Annual Report of the Nebraska Rural Health Systems and Professional Incentive Act was included in Commission members' packets. Ms. Janssen commented that there was one typo that will be corrected and asked the Commission to approve the report. The annual report, along with a cover letter signed by the chairperson, will be sent to the Governor, State Senators and the Health and Human Services Policy Cabinet.

Dr. Rebecca Schroeder moved to approve the 2005 Annual Report. Marty Fattig seconded the motion. The motion carried unanimously.

Budget Update

Marlene Janssen provided an overview of the rural incentive program budget. As of November 1, 2005, the balance of the cash fund is approximately \$2.2M. This amount includes \$1.3M in the student loan subprogram cash account and approximately \$0.9M in the loan repayment subprogram cash account. Most of the loan repayment cash fund is the local match funds for the current loan repayment recipients. Ms. Janssen reported that if all the loan repayment applications are approved there would still be approximately \$55,000 in general funds. Since this is the first year of the biennium unobligated general funds will be carried over into FY2006-07 and used for student loan payments.

Accounts Receivable

Marlene Janssen reported on the status of incentive program accounts receivable.

Student Loan Recipients:

Mary Ebeling (dental student) in remedial training and expected to begin practice in early 2006;
Theresa Buck is current on her payments
Nancy Miller-Davis, M.D. was killed in a car accident in October, the principal balance will have to be written off through the State Claims Board
David Kershner, P.A. legal action in process
Les Veskrna, M.D. current on his payments

Loan Repayment Recipients:

Kristal Dowse, Pharm. D. current on payments
Denise Freidel, M.D. current on payments
Michael Karel, P.A. current on payments
Reba Glidewell, Ph.D. litigation in process
Krista Krebs, Ph.D. litigation in process, settlement agreement being negotiated
J. Lynn William, M.D. since September's meeting he has paid a total of \$8,594 and still owes \$1,000.45

Impact of Concurrent Service in Student Loan and Loan Repayment Programs

Marlene Janssen stated that at the September meeting the Commission asked the Office of Rural Health to look at the impact of concurrent service under the student loan and loan repayment programs. Basically what is the financial impact if the Commission were to allow student loan recipients the opportunity to receive loan repayment and do their practice obligation under both programs at the same time?

Ms. Janssen reported that she looked at the current number of incentive program recipients in practice. As of November 2005, there are 16 student loan recipients in practice. The state dollars invested in these 16 recipients is \$705,000 over an 11 year period (1994-2004). There are 73 loan repayment recipients currently in practice. State dollars invested in these 73 loan repayment recipients is approximately \$400,500 per year or \$1.2M over the 3-year practice obligation.

If the Commission were to allow concurrent service and provide loan repayment to the 16 student loan recipients currently in practice, the state-match would be \$160,000 per year or \$480,000 over the 3-year practice obligation under loan repayment. This means there would be a reduction in the number of health professionals under obligation from 89 to 57-73.

Ms. Janssen suggested that the Commission could (1) table this discussion and wait to see about their legislative proposal to increase the amount of loan repayment and/or (2) send this issue to the Program Committee to discuss possible alternatives. Dennis Berens added that the availability of physicians willing to practice in rural shortage areas is declining. In addition, the supply of physicians training to be primary care physicians is also declining. Given the threat of terrorism will the United States continue the J1 Visa program for physicians? Dr. Frey commented that the J1 Visa program has been an assumed safety net program for a long time and may be going away. Since there was no additional discussion on this topic, Dr. Frey stated that this issue would be tabled and discussed at a later date.

5. Policy Committee Report

Dennis Berens reported that the Policy Committee reviewed the Medicaid Reform materials and prepared recommendations for the Commission. Mr. Berens stated that according to Senator Jim Jensen given the present trend by 2014 most if not all of the State budget would go to Medicaid and Education. There are two identified ways to handle this trend, (1) by defined contributions (insurance) and (2) by cutting services. Mr. Berens stated that at the September Rural Health Advisory Commission meeting,

the Policy Committee was assigned the task of submitting recommendations to the Medicaid Reform Advisory Council on behalf of the Commission.

Roger Wells reported that after reviewing the Medicaid Reform materials, the Policy Committee focused on the alternative “*providing funding for Medicaid recipients who then would buy their own insurance or services.*” Policy Committee members identified several areas to focus on in order to restructure the present Medicaid model and then identified key principals to include in a reform plan. Mr. Wells reported that the Policy Committee identified the following focus areas for restructuring the present Medical model: (1) accountability of consumers and providers, (2) appropriate use of services, (3) home and community base service, (3) counseling for all enrollees, (4) chronic care model, and (5) integrated care with a right sized service model.

Mr. Wells stated that accountability is key. A consumer-based benefit cannot be run effectively without accountability. We must look at the total package and focus on a team approach...social worker, medical services, job skills, etc...to move people out of the system and help them become self-sustaining.

Roger Wells also stated that the Policy Committee identified eight key principles that should be the basis for any Medicaid reform. These eight principles include: (1) Wellness promotion/education should be a key component of any proposed plan to prevent need for future services; (2) Nebraska needs to work with all of our border states to maintain equivalent services between states; (3) Medicaid costs should not be reduced by paying providers less than their cost to provide care; (4) Move from a pure entitlement model to a shared responsibility model of care, with different levels of services depending on the need and qualifications of the individual patient; (5) Move to an integrated care model that uses case management to help people where they live to better utilize the services available in the local community; (6) Move to a counselor supported care model that enables all people to identify all their health issues and needs that put them into the Medicaid system; (7) Move to an accountability model that enables every health professional to provide care for people inside a sustainable health system model; and (8) Move to a tiered delivery model of care/services which is based on income level and resources.

After members discussed the key principles, Dr. Angela Brennan moved that the Commission endorse the Policy Committee’s key principles and submit recommendations to the Medicaid Reform Task Force including consideration that the Rural Health Advisory Commission has a presence on the Task Force. Bill Brush seconded the motion. An addendum to the motion was made by Roger Wells to suggest to the Task Force that the Commission will make itself available to assist with the development of a delivery model. Motion carried unanimously. A cover letter signed by the RHAC chair along with the Policy Committee’s recommendations will be sent to the Medicaid Reform Task Force around November 21, 2005.

6. Proposed Legislation Update

Dr. Frey reported that on September 30, 2005, he and Dr. Michele Mulligan-Witt met with Senator Jim Jensen to discuss increasing the maximum amount for loan repayment. This was at the request of the Rural Health Advisory Commission in an effort to address the significant increase in educational debt since the Nebraska Loan Repayment Program was implemented in 1994. Dr. Frey said the response from Senator Jensen seemed to be very positive.

Marlene Janssen, who also attended the meeting to provide technical information, reported on Dr. Mulligan-Witt’s statement to Senator Jensen. Dr. Mulligan-Witt was a Nebraska Loan Repayment Program recipient and stated to Senator Jensen that approximately 30-40% of the funds she received through the program was used to payment federal and state income taxes. While the tax burden on loan

repayment is another issue, Ms. Janssen stated that Dr. Mulligan-Witt wanted Senator Jensen to understand the full impact of loan repayment including the fact that the amount of loan repayment has not kept up with the educational debt load of medical students and that it is taxed.

Ms. Janssen also stated that the Commission is not requesting additional funding at this time. The purpose of this legislative proposal is to increase the maximum amount of loan repayment based on the increase in educational debt over the past 10 years.

Dr. Steve Dokken reported that LB 285 addresses school nutrition including the access to junk food in schools. With the obesity rates increasing especially among children and dental caries in children, Dr. Dokken asked the Commission to consider supporting good school nutrition.

After some discussion, Dr. Dokken moved to have the Policy Committee develop a recommendation concerning the access to junk food in schools and school nutrition in general. (Basically implementing the concepts of good nutrition within Nebraska schools.) Dr. Angela Brennan seconded the motion. Motion carried unanimously.

7. Closed Session

Marty Fattig moved to go to closed session. Dr. Angela Brennan seconded the motion. The motion carried unanimously.

8. Open Session

Dr. Angela Brennan moved to go to open session. Bill Brush seconded the motion. The motion carried unanimously.

Dr. Steve Dokken moved to approve the following three (3) loan repayment applications (expected start dates for loan repayment are shown in parenthesis): Lisa Hassebroek, P.A., Holt County (October 1, 2005); Nicole Greene, Pharm.D., Hamilton County (October 1, 2005); and Kristi Eggers, A.R.N.P., Clay County (December 1, 2005); and add to the waiting list: Preston Renshaw, M.D. (July 1, 2006). Dr. Brennan seconded the motion. The motion carried unanimously.

Marty Fattig moved to approve the request by Mary Ebeling, (a student loan recipient) to defer her practice obligation under the Nebraska Student Loan Program while she completes a remediation course at the College of Dentistry and sits for her licensure exam. Dr. Dokken seconded the motion. The motion carried unanimously.

Dr. Angela Brennan moved to approve the request by Dr. Nicole Mitchell (a student loan recipient) to defer her practice obligation one year since she was chosen to be Chief Resident in Pediatrics at the University of Tennessee. This means Dr. Mitchell is expected to begin her practice obligation on or before October 2007. Rebecca Schroeder seconded the motion. The motion carried unanimously.

9. Other Business

Follow-up on Letters to Congressional Representatives

Marlene Janssen reported that the Rural Health Advisory Commission sent letters to Nebraska's congressional representatives in January 2005 concerning the taxation of loan repayment and the lack of Medicare reimbursement for licensed mental health practitioners. After re-reviewing the response from Representative Tom Osborne's office, Dr. Frey sent another letter explaining in more detail the issue of the tax liability on loan repayment. Based on this second letter, Representative Osborne requested an opinion from the IRS on behalf of the Rural Health Advisory Commission.

At the Nebraska Rural Health Conference in September, Dennis Berens and Marlene Janssen talked with Kim Zimmerman, Senator Ben Nelson's aide about the loan repayment taxation issue. Ms. Janssen reported that she has provided additional information to Ms. Zimmerman who is now researching the taxation of loan repayment.

Marlene Janssen stated that a Senate bill passed in early November 2005 would allow family and marriage therapists and licensed mental health practitioners (LMHPs) to receive reimbursement from Medicare. The American Psychiatric Association is opposed to this legislation because family and marriage therapists and LMHPs cannot diagnose and treat serious mental illnesses such as bipolar disorder or schizophrenia. The House of Representatives must pass this type of legislation before it is presented to the President for his approval. An article is included in members' packets concerning this legislation.

Dennis Berens that the Commission should contact our Nebraska senators to get their input concerning this legislation (S. 784). Dr. Rebecca Schroeder stated that there is some controversy about this bill because scope of practice varies from state to state. The issue, according to Dr. Schroeder, is can an LMHP or marriage and family therapist receive reimbursement for treating an illness they cannot diagnose?

Roger Wells moved to have the Policy Committee write a letter on behalf of the Rural Health Advisory Commission in support of Medicare reimbursement for licensed mental health practitioners and marriage and family therapists and present a draft to the Commission at the next meeting. Marty Fattig seconded the motion. Motion unanimously carried.

Dennis Berens referred Commission members to newspaper articles in their packets concerning: (1) poor countries suffering from medical "brain drain," (2) DNA genetic mapping, (3) depressed seniors, (4) Wal-Mart health care clinics, (5) National Rural Health Association legislative alert concerning rural health budget cuts, and (6) U.S. HHS awards contracts to develop nationwide health information network.

10. Adjournment

Marty Fattig moved to adjourn the meeting at 3:50 p.m. The motion carried unanimously.